

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1067-05
Bill No.: SCS for HB 327
Subject: Transportation Dept., Roads and Highways, Property, Real and Personal; Revenue Dept., Motor Vehicles, Motor Carriers, Drunk Driving/ Boating, Insurance-Automobile, Licensing- Motor Vehicle
Type: Original
Date: May 5, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Criminal Record System Fund	\$127,485	\$28,047	\$28,038
Peace Officers Standard Training Commission Fund	\$0	\$0	\$0
Highway Fund	(Unknown greater than \$458,180)**	Unknown greater than \$73,550*	Unknown greater than \$73,550*
Total Estimated Net Effect on Other State Funds	(Unknown greater than \$330,695)**	Unknown greater than \$101,597*	Unknown greater than \$101,588*

*Unknown not expected to exceed \$100,000.

** Unknown could exceed \$100,000.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 15 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	(Unknown)** to Unknown** greater than \$338,748	Unknown** greater than \$406,500	Unknown** greater than \$406,500

** Unknown could exceed \$100,000

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Elementary and Secondary Education, Department of Public Safety (DPS)-Division of Highway Safety** and the **Department of Social Services** assume this proposal would have no fiscal impact on their agencies.

Officials with **Cass County** assume no impact on their district.

226.275

This section of the proposal could require counties to have a minimum of two alternate materials for sewer use.

Officials with **Boone County- Public Works Division** assume that the requirement for two alternate materials for storm sewer applications could necessitate engineering for both options resulting in additional fees. Boone County was unavailable for elaboration however, **Oversight** assumes these additional fees would be minimal and are not included for fiscal note purposes.

ASSUMPTION (continued)

227.120

This section requires the **Department of Transportation (MoDOT)** to consider 'right of way' when obtaining real estate for state use.

Officials with **Jasper County** assume this section of the proposal could increase the cost of obtaining property by the county. **Oversight** assumes MoDOT would comment on any increase in cost to obtain property for use by the state.

Officials with MoDOT assume this provision could require jurors to consider loss of access when awarding condemnation damages. They state that this is contrary to current law and practice in which, the fair market value is considered before and after the taking. Typically, particularly in urban areas, damages awarded for loss of access represents a large portion of the ultimate costs of acquiring the right of way for completion of highway projects. Recent awards in the St. Louis area have resulted in the right of way cost increasing from \$1,000,000 to \$5,000,000, on a single commercial tract

This legislation would also direct appraisers, commissioners, and jurors to "consider" loss of direct access, including the prohibition of making right or left turns into or out of a property, in assessing damages. This expansion of the parameters for inclusion of damages is anticipated to lead to greater condemnation awards. The fiscal impact on MoDOT would be significant, however the amount is unknown.

Oversight assumes the unknown negative fiscal impact is speculation on the potential secondary effects of this section of the proposal and no direct fiscal impact was noted.

238.207, 238.210, 238.215, 238.220, 238.222, 238.235, 238.236

These sections have provisions for local transportation districts. No fiscal impact was noted by any counties.

Oversight assumes this proposal is enabling legislation and provides for an alternative way to create and fund a Transportation Development District. This does not mandate an imposition of a tax. Voter approval would be required before any tax could be imposed. **Oversight** assumes no state or local fiscal impact.

300.330, 300.410

These sections indicate that bike lanes should not be blocked and care should be given to avoid collision with cyclists.

No fiscal impact was noted by responding agencies.

302.272

This section of the proposal could require applicants for school bus drivers to have a background check completed by the Highway Patrol.

Officials with **Department of Revenue (DOR)** assume this section could require applicants for school bus permits to submit fingerprints when applying for a school bus operator's permit. DOR assumes their agency could have cost for form changes. These forms would be changed to provide information regarding the requirement. There could also be cost for programming and testing of the school bus applicant system and the MTAS fee collection system in order to accommodate the new requirements for the enhanced background checks.

Officials with DOR defer the revenue impact for additional fee income for the background checks to the **Department of Public Safety (DPS)**.

Officials with the DPS assume the Patrol's Information System Division could have an increase in the number of additions and modifications at the State Data Center based on the number of checks created by the proposed legislation. It is estimated that the number of fingerprint backgrounds would increase by 9,150 in FY04, and then by 2,013 for the following years. This would require 9,150 applicant/participant records be created and modified in the first year, and 2,013 for each year after. Based on information from DPS, **Oversight** assumes the additional cost would be minimal and could be absorbed by DPS.

At the time this fiscal note is prepared, the Patrol's Information Systems Division is using the best estimates it has available for State Data Center charges, but has also begun a study of the internal processing of the State Data Center. The Patrol will notify Oversight if completion of this study indicates that State Data Center estimates used in the above calculations were inaccurate.

ASSUMPTION (continued)

FY 04

9,150 additional checks submitted *\$38	\$347,700
Fee amount passed through to FBI	(\$219,600)
Form changes for DOR	(\$1,000)
Programming for fingerprint applications (100 hours*\$25)	(\$2,500)
Programming for fingerprint applications (160 hours*\$23)	(\$3,680)
Program testing for fingerprint applications (80 hours*\$20)	(\$1,600)
Programming for MTAS fee collection (80*\$25)	(\$2,000)
Testing for MTAS fee collection (720*\$20)	(\$14,400)
State Data Center	<u>(\$615)</u>
Total	\$102,305

FY 05, 06

2,013 annual checks submitted *38	\$76,494
Fee amount passed through to FBI	(\$48,312)
State Data Center	<u>(\$135)</u> and (\$144 for FY 06)
Total	\$28,047

302.302

This section of the proposal has revisions to the number of points assessed when the driver is under the age of 18 and commits certain violations.

Officials with DOR assume there could be an approximate increase of 10,000 point assessment actions due to the changes in the point assessment system. These subsequent actions could require a \$20 reinstatement fee.

DOR further assumes this section could require changes to the point assessment system in order to assess the varying levels of points. This could have programming cost.

FY 04 (ten months)

Reinstatement fees (4,083 cases*\$20)	\$81,660
Programming Cost (120*\$25)	(\$3,000)

FY 05 and FY 06

Reinstatement fees (4,900 cases*\$20)	\$98,000
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ASSUMPTION (continued)

302.700

This section could change the definition of “gross vehicle weight rating”.

Officials with DOR assume this could have a minimal impact on the number of persons receiving a commercial drivers license. **Oversight** assumes that DOR could absorb the minimal loss of revenue and does not include this loss in the summary.

304.010

This section clarifies the county speed limits.

No fiscal impact was noted by responding agencies and counties.

304.015

This section of the proposal could prevent certain trucks from being driven in the left lane.

The estimated fiscal impact of this legislation to MoDOT is \$430,000. It is estimated that 950 new signs will need to be installed for the left lane provision for trucks. Labor cost is not included in these figures, it will be absorbed by the existing staff.

FY 04

Sign cost	(\$430,000)
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304.029

This section has provisions that could allow low speed vehicles to be operated on some highways.

Officials with the **Department of Revenue (DOR)** assume this proposal would allow drivers of low speed vehicles to operate on some highways. DOR cannot estimate the number of low speed vehicles which could be registered.

DOR further assume they could incur cost for procedure modifications and the additional costs to title and register those vehicles that are not currently being titled and registered. The agency assumes it could require FTE and associated expenses for these FTE.

ASSUMPTION (continued)

DOR further assumes they could incur programming costs to modify the existing registration and fee systems. The low speed vehicles do not always contain the same information and information formatting as normal motor vehicles; therefore, these programs will have to be modified to handle unique information from the low speed vehicles. The cost incurred for these modifications is unknown; however, the cost for programming is anticipated to be less than \$20,000.

Oversight assumes there could be income and cost associated with the unknown number of applicants for low speed vehicle registration, however **Oversight** assumes that DOR could handle the request with existing personnel.

FY 04

Low Speed registrations	Unknown less than \$100,000
Forms and Procedures	(Unknown)
Plates and Tabs	(Unknown)
Programming	(Unknown)

Note: Unknown total cost not expected to exceed \$100,000

FY 05 and 06

Low Speed registrations	Unknown less than \$100,000
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304.675

This section of the proposal addressed the maximum limit that should be present in school zones.

Officials with the **City of Rolla** assume that as long as cities retain their ability to prosecute violations of "school zones" then the ability to modify the State's 20 MPH speed limit around schools would not have a marketable effect on revenues and will not add any more cost to enforce.

Officials with MoDOT there is a possibility that additional signs may need to be posted in school zones. However, the number of signs that will be necessary is unknown. No cost is included in the fiscal impact, however the cost per sign would be \$453.

Officials with **Kansas City** assume there could be cost for signs at school zones. This could be greater than \$117,360 which is the number of signs needed for K-8 schools.

ASSUMPTION (continued)

Boone County Public Works assume this proposal is in opposition to access management policies designed to provide for safe and efficient traffic flow. Development should be required to accommodate access management policies without adding burden to the general public. Property with properly designed access for safe and efficient traffic flow would not decrease in value but actually would benefit.

Oversight assumes there could be an increase cost for signs by the cities and MoDOT for school zones throughout the state. However, without information regarding the areas where a 20 MPH zone is possible then the impact is unknown.

FY 04

Sign cost for Cities	(Unknown greater than \$117,360)
Sign cost for MoDOT	(Unknown)

304.677

This section requires drivers to use caution when avoiding pedestrians.

No fiscal impact was noted by the responding agencies.

307.100

This section could require refuse trucks to use alternating flashing lights when parked.

Officials with Kansas City assume this proposal could have negative fiscal impact due to extensive retrofitting of existing trash trucks. This amount is unknown.

Oversight assumes that several cities could have cost associated with fitting refuse trucks with lights.

FY 04

Truck lights for refuse vehicles	(Unknown greater than \$100,000)
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ASSUMPTION (continued)

307.177

This section of the proposal has provisions for hazardous materials.

No fiscal impact was noted by the responding agencies.

488.5336

This section increases the amount collected for certain criminal case surcharges.

Officials from the **Office of State Courts Administrator (CTS)** assume the proposed legislation would increase the surcharge in criminal cases, from \$2.00 to \$3.00, in the assessment that goes directly to the county. CTS does not have data on this surcharge. The proposal would also increase the Peace Officers Standards and Training (POST) surcharge from \$1.00 to \$2.00. CTS estimate that this would produce about \$382,000 additional income in any given year.

FY 04

Increase in Criminal case surcharge	Unknown greater than \$100,000
Increase in POST surcharge	\$382,000

537.038

This section has provisions relating to collisions with cyclists or pedestrians.

No fiscal impact was noted by the responding agencies.

568.055

This section has provisions for leaving a child unattended in a vehicle.

No fiscal impact was noted by the responding agencies.

577.023

This section makes certain technical changes.

ASSUMPTION (continued)

Officials with the **Secretary of State (SOS)** assume DOR, DPS and MoDOT could promulgate rules to implement this bill. These rules would be published in both the Missouri Register and the Code of State Regulations. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Revenue could require as many as 64 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because of cost statements, fiscal notes and the like are not published in the Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23.00 and the estimated cost of a page in the Code of State Regulations is \$27.00. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn. The SOS estimates the cost of this legislation to be \$3,936.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

This proposal could increase state revenue by an increase in the surcharge for criminal violations, POST surcharge, additional background check fees from bus drivers and registration of low speed vehicles.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
CRIMINAL RECORD SYSTEM FUND			
<u>Income</u> - Department of Public Safety			
Fingerprint fees for bus drivers	\$347,700	\$76,494	\$76,494
<u>Cost</u> - Department of Public Safety			
State Data Center charges	(\$615)	(\$135)	(\$144)
Pass through to FBI	<u>(\$219,600)</u>	<u>(\$48,312)</u>	<u>(\$48,312)</u>
<u>Total Cost</u> -DPS	<u>(\$220,215)</u>	<u>(\$48,447)</u>	<u>(\$48,456)</u>
ESTIMATED NET EFFECT ON CRIMINAL RECORD SYSTEM FUND	<u>\$127,485</u>	<u>\$28,047</u>	<u>\$28,038</u>
PEACE OFFICERS STANDARDS AND TRAINING COMMISSION FUND			
<u>Income</u> - POST			
Increased surcharge for cases	\$318,333	\$382,000	\$382,000
<u>Cost</u> -POST			
Distribution to local law enforcement	<u>(\$318,333)</u>	<u>(\$382,000)</u>	<u>(\$382,000)</u>
ESTIMATED NET EFFECT ON PEACE OFFICERS STANDARDS AND TRAINING COMMISSION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
HIGHWAY FUND			
<u>Income -Department of Revenue</u>			
Increased reinstatement fees for higher point provisions	\$61,245	\$73,550	\$73,550
Licensing and title fees for Low speed vehicles*	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<u>Total Income -DOR</u>	<u>Unknown</u> <u>greater than</u> <u>\$61,245</u>	<u>Unknown</u> <u>greater than</u> <u>\$73,550</u>	<u>Unknown</u> <u>greater than</u> <u>\$73,550</u>
<u>Cost -Department of Revenue</u>			
Form changes for school bus applicants	(\$1,000)	\$0	\$0
Programming and testing for bus driver background checks	(\$24,180)	\$0	\$0
Programming and testing for new point assessment	(\$3,000)	\$0	\$0
Procedures, Plates and Tabs for Low speed vehicles*	(Unknown)	\$0	\$0
Programming for Low Speed vehicles*	(Unknown)	<u>\$0</u>	<u>\$0</u>
<u>Total Cost -DOR</u>	<u>(Unknown)</u> <u>greater than</u> <u>\$28,180)</u>	<u>\$0</u>	<u>\$0</u>
<u>Cost-Department of Transportation</u>			
Sign cost for left hand lane restrictions	(\$430,000)	\$0	\$0
Sign cost for school zones**	(Unknown)	<u>\$0</u>	<u>\$0</u>
<u>Total Cost -MoDOT</u>	<u>(Unknown)</u> <u>greater than</u> <u>\$430,000)</u>	<u>\$0</u>	<u>\$0</u>
	<u>(Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON HIGHWAY FUND	<u>greater than</u> <u>\$458,180)</u>	<u>greater than</u> <u>\$73,550</u>	<u>greater than</u> <u>\$73,550</u>

* Unknown not expected to exceed \$100,000

**Unknown could exceed \$100,000.

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
LOCAL GOVERNMENT FUND			
<u>Income -Cities</u>			
Increased reinstatement fees	\$12,249	\$14,700	\$14,700
Fees for Low Speed vehicles*	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<u>Total income -Cities</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
	<u>greater than</u>	<u>greater than</u>	<u>greater than</u>
	<u>\$12,249</u>	<u>\$14,700</u>	<u>\$14,700</u>
<u>Income -Counties</u>			
Increased reinstatement fees	\$8,166	\$9,800	\$9,800
Fees for Low Speed vehicles*	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<u>Total income -Counties</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
	<u>greater than</u>	<u>greater than</u>	<u>greater than</u>
	<u>\$8,166</u>	<u>\$9,800</u>	<u>\$9,800</u>
<u>Income - Local law enforcement</u>			
Increased surcharge on criminal cases**	Unknown	Unknown	Unknown
POST fund distributions	\$318,333	\$382,000	\$382,000
<u>Total Income- Local law enforcement</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
	<u>greater than</u>	<u>greater than</u>	<u>greater than</u>
	<u>\$318,333</u>	<u>\$382,000</u>	<u>\$382,000</u>
<u>Cost -Cities</u>			
Signs for school zone speed limit**	(Unknown)	\$0	\$0
Truck lights for refuse trucks**	(Unknown)	\$0	\$0
<u>Total Cost -Cities</u>	(Unknown)	\$0	\$0
<u>Cost -Counties</u>			
Sign for school zone speed limit**	(Unknown)	\$0	\$0
ESTIMATED NET EFFECT ON LOCAL GOVERNMENT FUNDS	(Unknown) to <u>Unknown</u> <u>greater than</u> <u>\$338,748</u>	<u>Unknown</u> <u>greater than</u> <u>\$406,500</u>	<u>Unknown</u> <u>greater than</u> <u>\$406,500</u>

* Unknown not expected to exceed \$100,000.

****Unknown could exceed \$100,000**

FISCAL IMPACT - Small Business

The section of the proposal which could require background checks for school bus drivers could have a cost to school bus contract companies who would pay a fee for this check.

The section which requires flashing lights on various refuse collecting vehicles could have a cost to small business dealing in refuse collection.

DESCRIPTION

This proposal has provisions for materials for sewer use, right of way and condemnation, local transportation districts, bus driver background checks, low speed vehicles, criminal surcharge increase, unattended children in vehicles and several technical changes.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Department of Revenue
Department of Public Safety
Department of Elementary and Secondary Education
Department of Social Services
Cass County
Boone County
Office of State Courts Administrator
Secretary of State
City of Rolla

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A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
May 5, 2003